



City of Palos Heights  
Finance Committee Meeting  
Tuesday, July 11, 2023  
6:30 p.m.  
MINUTES

#### **CALL TO ORDER**

Chairman McGrogan called the Finance Committee meeting to order at 6:31 p.m. In attendance were Alderman Bylut, Alderman McGovern and Chairman McGrogan present on the phone. Also present was Treasurer Jim Daemicke, Community Development Coordinator Ken Busse, 2 guests representing Tiffany Square and Recording Secretary Morgan Pukula.

#### **APPROVAL OF MINUTES**

Alderman McGovern moved to approve the minutes of the special Finance Committee meeting held on June 16, 2023, seconded by Alderman Bylut. On a voice vote, the motion passed unanimously.

#### **APPROVAL OF THOMAS BROWN BILLS**

Alderman McGovern moved to approve the Thomas Brown bills in the amount of \$3,150.00 seconded by Alderman Bylut. On a voice vote, the motion passed unanimously.

#### **APPROVAL OF MORRIS BILLS**

Chairman McGrogan moved to approve the Morris Engineering bills in the amount of \$176.28 seconded by Alderman McGovern. On a voice note, the motion passed unanimously.

#### **TIFFANY SQUARE INDUCEMENT RESOLUTION**

Chairman McGrogan stated the Tiffany Square Center is requesting the city consider using tiff money; approximately 60% up to 2 million dollars. He expressed concern and requested more information regarding the consideration to use the tiff money. Ken Busse stated the purpose of this inducement resolution is to begin negotiating assistance. Once we negotiate an agreement, the owner can then negotiate specifically with pavement contractors in order to improve the lot before the winter season, as well as other contractors. Adam Dotson was present at the meeting on behalf of Tiffany Square and the center's plans were also produced in the packet. Public cross access easement is not included in the cost estimates. The proposal by Sandrick Law is what the owners plan and intend to do but does not have to be the final agreement. This resolution does not mean that the city is going to provide assistance at all. This proposal is strictly to move things forward with the agreement process between the owners and the city. Overall, Chairman McGrogan stated that the city would be interested in this, but again, an agreement would be made and negotiations would have to be discussed. Adam Dotson stated that once the center is complete, renovations will attract other retailers as well as consumers for the owners and the city. Dotson stated the owners are looking to establish a courtship to partner private and public.

Jim Daemicke asked for the steps of completion. Ken Busse replied, the proposal would be brought to city council, from there the council would approve the resolution. Approving the resolution, does not mean the city has to commit to the tiff money. A meeting would then be held with the respective parties to discuss the amount and terms of assistance. Dotson would then compile a detailed proforma for the next 10 years. The level of assistance they are requesting and the assistance we provide should include the economically demanding standards the city wishes, on top of the aesthetic standards the city wishes to uphold. The Director of Public Works, Adam Jasinski and Morris Engineering will be costing out the public easement due to the amount of city traffic it will obtain through Lake Katherine and could be a part of the incentive that will benefit the center as well.

The tiff will expire in 2028, so all tiff obligations will have to be paid off by 2028. The negotiation would

have to be 5 years but the project may take 5-7 years. Overall, the owners are only requesting up to 60% on a maximum of 2 million dollars. Discussion has also been had about amending the tiff to include parts of Harlem and parts of the city we wish to include in a possible business district. The tiff balance the city has remaining is approximately 1.3 million dollars.

Alderman Bylut stated years ago, the city provided a variance for the center for a whole sale retailer but is now expressing concern for whole sale operations. Discussion was had about how the center could provide the city with better retailers, as well as only front end retail operations instead of whole sale. Ken Busse stated the city can negotiate as they please with this inducement resolution to please both sides. The city can negotiate in the resolution, performance enhancements; for example: code violations and audits. Payment to the center can be negotiated and end if the owners and their tenants do not comply with the standards the city requests.

The aldermen and the owner of Tiffany Square Center's son Al, discussed they would come to an agreement for the inducement resolution. The redevelopment agreement will state the resolution and responsibilities for both the owners and the city.

Ken Busse requested Al and the owners bring in photos of the other centers they own to the City Council meeting to show the expectations for the newly renovated center here in Palos Heights.

Alderman Bylut moved to approve the recommendation for the Tiffany Square Inducement Resolution, seconded by Alderman McGovern. One a voice note, the motion passed unanimously.

#### **OLD BUSINESS**

None.

#### **NEW BUSINESS**

None.

#### **PUBLIC COMMENT**

None.

#### **ADJOURNMENT**

There being no further business, Alderman McGovern made a motion to adjourn, seconded by Alderman Bylut. All in favor.

Meeting adjourned at 7:17 p.m.

Respectfully submitted,

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Morgan Pukula, Recording Secretary

